



RESTRICTED

NETHERLANDS - RAILWAY TRANSPORTATION

A. POLICIES

1. Railways of the Netherlands are state-owned and operated. Rail policy is determined by the state through the Ministry of Transport. The government is concerned, at present, with rehabilitation of the railways which suffered extensive war damage. Pre-war studies indicate that: rails accounted for only 15 per cent of all traffic; the principal mode of transport, insofar as freight is concerned, is by water; rails, however, account for the bulk of passenger traffic; and passenger revenues exceed freight revenues on the railroads. It may be expected that rails will assume increasing importance in Netherlands transport as war damage is eliminated and the need grows for rapid transit.
2. Rail policies are determined by the Netherlands Railways Company under the supervision of the Ministry of Transport. Policies for rail transport, while determined independently from other forms of transport, are subject to integration and central administration by the Ministry.
3. The vulnerability of the Dutch railways was amply demonstrated during the war. Strategic considerations, however, have had little effect on development of the railways, which lie off the main European east-west traffic routes, and serve a purpose primarily domestic.
4. Under the policy of complete ownership and control of rail transport, the state is directly concerned with the development of new equipment and the replacing of ways and rolling stock destroyed by the war. Since the end of the war, the state has directed large sums of money to reconstruction work.
5. State policy with respect to railroads has been developed primarily under the impact of economic and political forces. The geography of the country dictated that first efforts toward transport development be directed toward the waterways, but during recent years (since c.1900), the state has recognized that railroads offer probably the best all-around transport system. Rail policy is now influenced considerably by the rapid strides made by highway transportation.

B. ORGANIZATION

1. The railroad system of the Netherlands is under the authority of the Ministry of Transport. However, actual operation of the lines is under the jurisdiction of the Committee of Management of the Netherlands Railways Company. A Rate Commission, independent of the Ministry of Transport approves rates for all forms of transportation.
2. The Committee of Management is appointed by the Ministry of Transport. It has complete control over railway operations. The Committee is composed of representatives of both state and private enterprise.

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3. The various agencies within the Ministry of Transport dealing with the several media of transportation are not related to each other. The Ministry, however, coordinates all transport policy.
4. The present Ministry of Transport was established by the Royal Decree of 18 July 1946, which also abolished the old Ministry of Transport and Power. By the same decree, the Ministry of Shipping was abolished and its functions were assumed by the Ministry of Transport.
5. The rail system of the Netherlands was badly damaged in 1940 by the retreating Dutch Army and later by Allied bombing and by the German policy of retribution for the rail strike in September 1944, called as an aid to the Allied effort. The rail system is recovering its pre-war efficiency as fast as shortages of material and rolling stock will permit. The Ministry of Transport appears to be operating efficiently and in the public interest.

C. ADMINISTRATION

1. The state, through its ownership of the rail system, determines the program for construction or extension of rail lines. Such plans must be clearly in the national interest and necessary to the general welfare.
2. Rates on all transport must be approved by the Rate Commission, similar in function to the US Interstate Commerce Commission.
3. The state does not favor competition between the state-owned rail lines and the privately-owned water carriers. Such competition was one of the primary causes for the state's action in organizing the railroads into a state-owned company. The action of the state in recent years leads observers, and particularly the water carriers, to believe that the state is attempting to move away from its traditional policy of dependence upon inland waterways.
4. There is no state agency dealing specifically with inspection of equipment, but the Scientific Commercial Car Institute, a private organization, contracts to inspect cars and issue certificates of loading capacities.
5. Technical education in the Netherlands is sponsored increasingly by the state and consists of full and part-time training covering a wide range of trades and professions. Excellent training courses for railroad technicians are provided by the State University at Delft. The state does not sponsor railroad training, however, to the extent that it sponsors training in navigation (inland and ocean-going).
6. The railroads of the Netherlands are a party to the Bern Convention regarding traffic, rates, facilities and related international traffic matters.